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Institutionalisation and deinstitutionalisation of budget. Symmetrical analysis of rhetoric associated to the introduction of budget and “beyond budgeting”

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Résumé : Cet article analyse symétriquement le processus d’institutionnalisation des budgets qui a eu lieu de 1930 à 1960 et le processus de désinstitutionnalisation entrepris par le Cam-i depuis les années 1990. La recherche se focalise sur les rhétoriques développées par les différents acteurs en insistant particulièrement sur la similitude des arguments avancés. Ainsi, la turbulence de l’environnement est invoquée pour mettre en place des budgets mais aussi pour les supprimer. De même, la volonté de libérer les managers du carcan bureaucratiques est une idée avancée pendant la phase d’institutionnalisation et de désinstitutionnalisation.

Mots-clés : histoire, budget, institutionalisation, deinstitutionalisation, beyond budgeting

Abstract: *This paper jointly investigates the process whereby budgeting became institutionalised between 1930 and 1960 and the attempts of the Cam-i to deinstitutionalise it since 1990. The study focuses on the rhetoric. Paradoxically, the same arguments have been used to support the institutionalisation and the attempts to deinstitutionalise budgets. First, the turbulence of the environment supported the implementation of budgeting. Since 1990, the turbulence of the environment has generated a feeling that it should be abandoned. Secondly budgets contributed to the emancipation of managers. Since 1990, they have been deemed as rigid frameworks preventing managers from acting freely.*

Keywords: History, budget, institutionalisation, deinstitutionalisation, beyond budgeting

INTRODUCTION

« The budget is the bane of corporate America. It never should have existed... Making a budget is an exercise in minimalisation. You're always getting the lowest out of people, because everyone is negotiating to get the lowest number » (Loeb, 1995: 5). This quotation is ascribed to Jack Welch, the former General Electric CEO. As a literate observer of management devices, he sharply critiqued on budgeting. This utterance is interesting in two respects. First, General Electric is emblematic of the 21st century company (ranking first in the Top 20 Most Admired Companies of Fortune in 2006 and 2007). In these corporations, budgeting happened to be inappropriate for coping with the newest competitive stakes. Secondly, it conveys the shift from a managerial model to another one. By challenging the discoverer of budgeting, General Electric has replaced General Motors qua the model to be followed.

This paper jointly investigates the process whereby budgeting became institutionalised between 1930 and 1960 and the attempts of the Cam-i and the Beyond Budgeting Roundtable (BBRT) to deinstitutionalise it since 1990. The study focuses on the rhetoric of the various actors supporting or critiquing on budgets. Paradoxically, the same arguments have been used to support the institutionalisation and the attempts to deinstitutionalise budgets. First, the turbulence of the environment supported the implementation of budgeting in the 1930s. Since 1990, the turbulence of the environment has generated a feeling that it should be abandoned. Secondly, in the 1950s, budgets contributed to the emancipation of managers. Since 1990, they have been deemed as rigid frameworks preventing managers from acting freely.

For that purpose, we rely on new institutional theory. Thereby we analyse how budgeting and accounting “have changed, repeatedly becoming what they were not” (Hopwood, 1983: 289). Thus, we contribute to scientific knowledge on the institutionalisation process (Green, 2004; Hasselbladh & Kalinikos, 2000). In parallel, we observe how deinstitutionalisation (Oliver, 1992, Dacin & Dacin, 2008) was launched several years later. Doing so, we purport to contribute to scientific knowledge on deinstitutionalisation, insofar as it has been less documented so far (Dacin and Dacin, 2008). The second major contribution of our research consists of evidencing that the Actor-Network Theory (ANT) can bring insight into those processes of institutionalisation and deinstitutionalisation. The Actor-Network Theory (Callon, 1986; Latour, 1987, 1996) enables the analysis of the rhetoric developed by two distinct networks of actors. The ANT allows the differences in the constitution of both networks to be grasped. In addition, the ANT might explain how apparently similar rhetorical schemes support the institutionalisation and the deinstitutionalisation of budgeting.

The remainder of this article is organized as follows. Section 2 presents our theoretical corpus which allows us to examine the rhetoric put in place by the network of organizations and the actors making up these organizations as being central to the process of institutionalisation and deinstitutionalisation of management practices. Section 3 presents our historical data which outlines the research method. It consists of public writings that accompanied the development of budgeting and the BBRT movement. Section 4 contains the discussion on the role of actor-networks and their rhetoric in the institutionalisation and the deinstitutionalisation of budgeting. Section 5 concludes the article.

1 THEORETICAL FRAMEWORK

Adopting NIS theory was justified in relation to previous theoretical frameworks as it allowed two important dimensions to be integrated according to Meyer & Rowan (1977: 346): “the complexity of networks of social organization and exchange” and “the institutional context”. While it is the second item that was the most studied by NIS (Powell & DiMaggio, 1991), in this article we would like to focus on the network of organizations and their actors. We consider this network to be a factor which can help us understand the process of institutionalisation/deinstitutionalisation, thus contributing to the originality of our research.

1.1 The institutionalisation / deinstitutionalisation of management practices

Institutionalisation is the process by which “social processes, obligations, or actualities come to take on a rule-like status in social thought and action” (Meyer and Rowan, 1977: 341). Organizations, in seeking legitimacy, indeed tend to conform to external institutions. This conformism is obtained through coercive, normative or mimetic isomorphism (DiMaggio & Powell, 1983). The development of a new management practice can therefore be analysed as a response to pressure from institutions to which organizations seek to conform in order to be legitimate. But once developed, institutionalised practices then become part of the institutional context of an organization and serve to legitimize other practices. We will be examining the institutionalising of budgeting and the recent attempts to deinstitutionalise it.

Institutionalisation can be observed at three levels: discursive, organisational and practical (Friedland & Alford, 1991; Jepperson, 1991). This process results in “*frameworks of programs or rules establishing identities and activity scripts for such identities*” (Jepperson, 1991:146). Accordingly, institutionalisation should not be regarded as the mere translation of such scripts into practical actions. In fact, discourses, organizational structures and individual practices should be decoupled and regarded as three stages of institutionalisation. “An institution is highly institutionalized if it presents a near insuperable collective actions threshold, a formidable collective action problem to be confronted before affording intervention and in thwarting of reproductive processes” (Jepperson, 1991:151). Central in Jepperson’s argument is that an object can be institutionalized, once it is a possible threshold for action. Hence, it is not mandatory that it actually be translated into actions, e.g. practices.

While much has been written about institutionalisation, there has been much less exploration of deinstitutionalisation (Dacin, & Dacin, 2008; Dacin, Goodstein and Scott, 2002; Oliver, 1992). According to Scott (2001: 182), deinstitutionalisation is the “process by which institutions weaken and disappear”. The best-known pieces of research on the subject are those of Oliver (1992) and Zucker (1991). In the conclusions of a study on the effects of cultural persistence on organizational change, Zucker (1991: 105) notes that “Institutionalization often occurs accidentally; deinstitutionalization is seldom accidental”. Whereas institutionalisation unconsciously stems from the pervasion of the environment, deinstitutionalisation openly challenges an existing institution. In that respect, Oliver (1992) identifies three possible antecedents that would explain deinstitutionalisation: political, functional and social pressures. Another original aspect of our research is that we study in parallel the institutionalisation and deinstitutionalisation.

The death of management practices is no doubt a purely theoretical viewpoint as is underlined by Dacin & Dacin (2008) insofar as “institutionalised practices are rarely ever completely

extinguished” (Dacin & Dacin, 2008: 348) or at least die out very slowly. Institutionalised practices can also change. DiMaggio (1988) for example, considers that an institution is composed of core and ancillary elements. The former may continue to exist while the latter adapt according to external changes. Displacement and migration are also movements linked with deinstitutionalisation (Dacin & Dacin, 2008). The ontological nature itself of change can be questioned. According to Quattrone & Hopper (2001), change [in accounting] is neither necessarily linear nor foreseeable. Change is rather a drift that move in time and space along the interactions of a multitude of actors.

The process of institutionalisation and deinstitutionalisation has most often been studied as a discursive phenomenon, upheld by specific rhetoric put in place by the actors.

1.2 The role of the various actors in the institutionalisation/deinstitutionalisation process

The NIS theory shows how institutions are a constraint for the actors. It however remains unclear as to how the latter form institutions. Our vision of the role of institutions is therefore passive and over-socialized, ignorant of the role of agencies or political deviances and adaptations (Green, 2004). The theory of NIS even sometimes presents the actors as irrational beings who simply respond to stimuli, reproducing forms that already exist and thus contributing to making the world even more homogeneous (Lounsbury, 2008).

Contrary to this actor-free vision, Lounsbury (2008: 351) proposes “a much more penetrating examination of actors and practices”. Likewise, Dacin & Dacin (2008) show how deinstitutionalisation is accompanied by a change in the composition of stakeholders. The new actors concerned by the institution give it new values and thus change its nature. The actors also have a role to play as soon as they begin to resist any changes to the institution. The custodians of the old institutions deploy resistance stratagems which change the course of the deinstitutionalisation process studied.

The role of the actors can be taken into account via the rhetorical strategies they put in place to construct or dismantle institutionalised practices. The actors have an active role simply via their discourses. They rationalize or give discursive reasons for actions; to institutionalize is to accept and to take these reasons for granted. Discourse thus has a central role in the dissemination of practices.

1.3 The rhetoric developed by the actors and its central role in the institutionalising/deinstitutionalising process

Friedland & Alford (1991) and Powell (1991) consider that organizational structures and practices have been the most obvious levels of institutionalisation so far. Agreeing with Jepperson, they call for further research at the discursive level. “The discourses not only constitute individuals, they seem to determine them. Statements [...] constitute both subjects and objects [...] As a result, we do not understand the process of how people ended up in these normalizing organizations, or the choices through which people became participants in these historically variant discourses and thereby contributed to that history. Without actors, without subjectivity, there is no way to account for change” (Friedland & Alford, 1991: 253-254). Subsequently, rhetorical schemes and of the networks in which they operate are part in the institutionalisation process.

The theoretical framework of the NIS underlines the role of language and discourse in the dissemination and institutionalisation process (Phillips et al, 2004). Discourse and rhetoric legitimize practices so that they become taken for granted. "Rhetoric is a type of instrumental discourse used to persuade audiences, reach reliable judgements or decisions, and coordinate social action" (Green, 2004: 654). Discourse thus shapes our aims and means. It constructs meanings, identities and the world. Many studies following the NIS trend have analysed the institutionalising process through the rhetoric used.

For Hasselbladh & Kallinikos (2000), it is necessary to specify the institutionalisation process, that is the way in which institutions are gradually transformed into management models: "The most crucial is the way in which the pool of social ideas, instrumental orientations and schemes (i.e. the rationalized environment) is translated into the specific administrative patterns encountered in particular organizations or populations of organizations." (Hasselbladh & Kallinikos, 2000: 699). From this perspective, the authors examine how general ideas infiltrate discourse which in turn has an effect on management techniques. According to them, the process of objectification takes place in three stages, from oral discourse, to writings and then to more formal codification. Pertinent ideas of a general nature are first circumscribed gradually by speech then by the written word. Social roles, activities and their interrelations then develop. Finally, action models and systems for measuring and evaluating behaviour appear.

Barley & Kunda (1992) share a view of history that distinguishes five different types of management rhetoric since the 19th century: 1. Welfare work; 2. Scientific management; 3. Human relations and personnel management; 4. Systems rationalism; 5. Organization culture and quality. They then analyse this sequence of periods as a cyclical phenomenon, arguing that a succession of cycles exists, in which "normative" theories (acting on employees' emotions and state of mind) alternate with "rational" theories (formally defining working processes).

Green (2004) describes how rhetoric moulds practices. Rhetoric can be in three different forms. Pathos type rhetoric which appeals to the emotions (fear for example). Logos which refer to logical considerations (e.g. the advantages to be found). And finally ethos which appeals to morality and ethics (e.g. honour, tradition, justice). Green then shows how these various forms of rhetoric can succeed one another to promote the institutionalising of practices. Norreklit (2003) analysed how BSC became institutionalised through the rhetoric put in place by Kaplan and Norton. They used pathos and ethos type rhetoric rather than logos and developed rhetorical artifices (metaphors, analogies, abstract and imprecise concepts, etc.) taken apart by the author. This study is of particular interest to us as it applies to the same "management guru genre", to an accounting tool, during the same period and using similar wording (i.e. information age) and also partially refers to the Latourian theoretical framework. It shows in particular how use of imprecise and abstract concepts can be used to draw a maximum number of actors. Finally, Ezzamel et al. (2007) analyse how a discourse on accountability, in the context of school reforms, allows schools to be re-institutionalised as a new institution combined with old models.

Rose & Miller (1992), Miller & Rose (1990), Miller & O'Leary (2007) also underlined, even if their terminology and focus was somewhat distinct, the importance of relations between discursive forms used to define government programmes and technologies: "The governing of conduct, it was argued, was achieved through the interplay between programmes and technologies, between the discursive and the instrumental" (Miller & O'Leary, 2007: 707).

But, as the authors note, putting ideas into practice is no easy feat: “it was a question of assembling and adjusting diverse components and practices so that they might operate as a more or less stable and coherent working ensemble ». Instruments thus have a role as a mediator between the various actors and agencies that they help to bring together.

Consistent with Philipps’ & al. (2004) and with Powell’s (1991) call for positing rhetorical schemes and actors in institutionalisation, we will rely on the Actor-Network Theory. As Rose & Miller (1992) suggest, the conflation thereof into Neo-Institutional Theory expectedly helps us approach the discursive construction/deconstruction of black boxes.

1.4 The ANT (Actor-Network Theory) as a means for studying the rhetoric used by the actors in the institutionalisation process

Lounsbury (2008) proposes to put the actor and the agency back at the centre of the analysis of the institutionalisation process and in particular suggests use of the Actor-Network Theory (Callon, 1986; Latour, 1999; Law & Hassard, 1999). The ANT has specific benefits for the study of change in general and management accounting innovation diffusion in particular (Chua, 1995)¹. It introduces concepts that are useful for understanding how reality is formed. Rhetoric and controversy developed by actors occupy a central place. Via a phenomenon of translation and incorporation of human and non-human allies, they succeed in bonding together a network of actors that defines the nature of the practices studied.

ANT leads us to compare in a number of ways the construction of managerial innovations with scientific controversies, thus acknowledging power struggle, trials and use of rhetoric. Managerial technologies are not considered as inert: they have to be pushed and pulled by actors in order to be disseminated by the use of rhetoric. Hence, the assumption that innovations are rationally accepted because they accurately represent reality and are technically more efficient is questioned. This is for example illustrated by the development of Aramis, a means of transport which we can not specifically qualify as having been a success or a failure (Latour, 1996).

Actors use rhetoric to institutionalise management practices. ANT explains the diffusion of innovation through a process called “translation” (Callon, 1986; Latour, 1987). This process analyzes the innovation within the context in which it evolves. The process of translating an innovation implies that interactions are created between actors who make alliances in order to pursue certain goals rather than others in the change process (Chua, 1995). These alliances form “actor-networks” composed of both human and non-human actors (such as technical artifacts). Non-human allies are given a voice through “spokespersons” who contribute to the building of the network. Networks become stronger and stronger as they incorporate human and non-human allies. In the end, this construction is successful if sciences and technologies, or in our case managerial innovations, acquire a solid and sound appearance, i.e. they become “black boxes” or institutionalized which will not subsequently be questioned for at least some time (Latour and Woolgar, 1979).

¹ Strictly speaking, we could distinguish “diffusion” from “translation” as they often refer to two separate epistemological stances (Quattrone, 2005). The latter implies a pluralistic perspective of evolution taking into account the role of technologies and human and non-human actors in the co-production of innovations whereas the former rests on a very specific and autonomous ontology of an immutable object. In this paper, we use the terms “diffusion” and “translation” indifferently, diffusion being used as a synonym of translation in a broader sense.

The approach to socio-technical networks developed by Callon (1991, 1998) shows how the making of markets presupposes the relations between actors and instruments are as important as the relations within firms and organizations (Miller & O’Leary, 2007). The behaviour of individuals is enacted in an institutional context which their inter-relations help to create. Individuals create the environment and the meanings attached to it.

The purpose of our paper is to show how rhetoric that is similar in appearance is used in both the institutionalisation and deinstitutionalisation process, but by different networks of actors. The difference in the composition of these networks explains the paradox of the similar rhetoric used to promote one thing and exactly the opposite.

2 DATA AND EVIDENCE

Our historical data consists of public writings that accompanied the development of budgeting (textbooks, articles, conference papers, etc). From these documents we selected extracts taking a more general look at the development of budgeting. The texts selected are by authors who are central to each of the two periods (recurring authors who are highly active promoters of budgeting, or often cited) and significant in terms of size (writings longer than one page).

Two corporuses of around 30 texts were gathered, one concerning the 1930s and the other the 1950s (see appendix). They consist of public writings that accompanied the development of budgetary control (textbooks, articles, conference papers, etc). From these documents we selected extracts taking a more general look at the development of budgetary control, with reference to the main political and social issues debated during the relevant period.

The texts selected are by authors who are central to each of the two periods (recurring authors who are highly active promoters of budgetary control, or often cited) and significant in terms of size (writings longer than one page). The importance of the chosen extracts calls for two remarks. First, in terms of volume, the set of extracts containing programmatic elements is small compared to the total sum of purely technical extracts, which are longer and more detailed: the social and political commentaries are often found in forewords, prefaces, introductions and conclusions of articles and books with the body of texts being mainly technical. In terms of social significance, however, the selected texts are important, all the more so as an underlying political rationale common to all can be identified.

The rhetoric schemes are compared to those developed in the BBRT movement. We collected public publications and some pieces of internal Cam-i documentation to back up our research (see appendix).

3 CONTEXT: BIRTH AND DEATH OF BUDGETING

Budgetary control is “a set of coordinated forecasts established for a limited period of time, usually a year, and in order to get a good knowledge of operating conditions and elements of the income statement; Breakdown of these forecasts for accountability purposes; Systematic reconciliation of actual and planned results at regular dates, generally each month; Rapid communication of this information, not only to top Management but also to accountable agents” (OECCA, 1951: 151).

Arbitrarily, we start to follow budgetary control diffusion in France at the beginning of the 1930s, following the Geneva conference of July 1930 (Berland, 1998; Berland & Boyns, 2002) when a group of people decided on its name. Experimentations had already taken place for many years but were still few in number before 1930. They gave the multiple technical constituents, which grouped in a new order, formed at different periods in time a different confused notion of budgetary control. Moreover, the name “budgetary control” did not yet exist and there is not strictly speaking an “inventor” of budgetary control. From the outset, it was seen as the result of a fact-building network made of legitimated knowledge experts.

3.1 Budgetary control history

The introduction of budgetary control in France was justified not only by micromanagement problems that companies might experience. It was also a political and macro level problematization that bound budgetary control and macro economic and social discourses.

The Slump of the 1930s led to increased turmoil in the running of businesses, by squeezing profit margins, by causing bankruptcies and by forcing businessmen to review their management methods. Schmidt (1930) thinks that budgetary control will enable future crises to be anticipated: “The development of budget as a notion, in particular the development of long-term capital budget (over whole decades), is the market economy’s response to the criticism levelled at it a long time ago by the champions of a socialist economy: its lack of foresight when facing crises which could only be avoided in this way”.

More generally and from a political standpoint, businessmen of that period were looking for a “third way” between capitalism, which seemed to be collapsing across the Atlantic, and communism, which seemed to be triumphant in the Soviet Union (Boltanski, 1982; Kuisel, 1981). Two forms of this third way examined at that time were corporatism and economic planning. Budgetary control thus sprang from the need to respond to the industrial and political crises of the period and it then developed along with them (Berland & Chiapello, 2009). People persisted with this technique because they decided it was solid enough to solve technical and socio-political problems.

Budgetary control requires industrial activity to be planned and therefore becomes a stabilizing factor of the economic situation. Budgetary control is an innovation that was seized upon by many spokespersons and allies who had an interest in promoting it. These people met regularly through professional associations who served as intermediaries between different networks. The most well-known of these actants are the Commission d’Etudes Générales d’Organisation du Travail (Cégos - a group of practitioners who promoted benchmarks), the Comité National de l’Organisation Française (CNOF - a group of practitioners who met Fayol and Taylor’s disciples), and the Union des Industries Métallurgiques et Minières (UIMM - a branch of the coal and steel employers’ federation). These ever evolving networks penetrated each other and had numerous members in common who acted as spokespersons to spread the “gospel”, build hard facts and stabilize them thanks to numerous implementations in diverse companies.

The CNOF appeared in the 1920s as a meeting place for professionals interested in Scientific Management (another non-human ally being called to promote budgetary control) and organization. It quickly organized conferences and published a journal. During the 1930 Geneva conference, Satet proposed that the CNOF should become the French institution in charge of diffusing budgetary control and tie the French experience to foreign ones. The

bulky bibliography listed by Satet in his 1936 book gives a good idea of the way budgetary control spanned many countries. Many key actors of the business world belonged to the CNOF and many companies that implemented budgetary control during the 1930s were also members of it, such as Le Matériel Téléphonique, Alsthom, Le Printemps, and the Paris-Orléans railway. There is therefore a strong correlation between implementing budgetary control and being a member of the CNOF.

The Cégos was another association that promoted management practices in France during the 1930s. This occurred through direct exchanges between professionals at the conferences organized by the association. The extent of Cégos' influence on the diffusion process can be observed through its numerous inscriptions on the subject. It allowed spokespersons having implemented budgetary control to promote their own experience and to compare it with that of their peers. The first conference dates from 1934 and two to six conferences a year took place until the Second World War. They started again with renewed impetus after 1945. During these conferences, practitioners of these management methods were able to present and talk about their implementation experiences. De Saint-Pulgent and Loeb, two of the actors who participated in the Geneva conference and in the CNOF activities were, for example, heavily involved in the activities of the Cégos and thus reinforced the actor-network coherence. As both of them, numerous actors were involved in several arenas.

Budgetary control was developed as a way to promote a political idea of its own time. By adopting this innovation, managers could save the western political and economic capitalist system. To gain some allies, a large set of arguments and interests was used to enrol different categories of actors. Budgetary control really appeared as a boundary object that has different meanings for the diverse groups supporting it. This collection of interests allowed the building of a strong network of diverse actors tied together around the new technique. This network easily became stronger as no existing practices could compete with the boundary object.

3.2 The staging of the demise of budgeting

In parallel, we scrutinise how a couple of actors supporting specific rhetorical schemes reopened that black box in the 1990s. In reaction to critiques on budgeting, in the 1990s, Cam-i (a union of consultants, practitioners and academics) suggested alternative management devices (Cam-i, 2002)². The Cam-i, or rather the three leaders of this group, introduced the BBRT (Beyond Budget Roundtable) in 1998. This group had allies of various origins.

This group started by expressing a number of critiques on budgets. These critiques do not however date back to the work by Cam-i. They have their origins in some much older works, for example those concerning ZBB or works by such academics as Argyris (1952), Hofstede (1967) or Hopwood (1972, 1974). We may also mention the article in the HBR by Barret and Fraser-1977 (apparently no connection with the Fraser of Cam-i).

Budgeting first of all arose when management theory was in its heyday, in a competitive environment that was particularly favourable. For Cam-i (1999) budgetary control developed in a context where the markets and value chains were stable, where one knew who our competitors were and could predict their actions, where lack of available capital was the main

² Cam-i was already acknowledged as one of the networks involved in the development of Activity-Based Costing in the late 1980s (Jones and Dugdale, 2002).

hindrance to growth and learning, where business structures were centralized and their coordination had an essentially pyramid-shaped structure, where the life cycle of products and business strategies were spread over a longer period of time, and finally, where operatives were required to comply with the rules.

According to Cam-i (1999), budgetary control was a hindrance to change. At best, it favoured incremental innovation (and sometimes immobility) but it did not allow radical changes to be considered. Budgeting was conducive to performance improvement based on a higher rate of turnover rather than on organizational improvement and learning. The precipitation that often resulted was a source of hidden costs and inferior performance. It was the nature of competition between firms that was at stake here. It was deemed to have developed from improved use of physical assets to the improved use of immaterial assets. The latter are not however well accounted for by the budget.

Budgeting gives more consideration to the constraints involved in production than in customer satisfaction. In this respect, budgetary control is a tool for managing a supply market rather than a demand market. In the same vein, the creation of wealth was not a result of optimization but of innovation. Finally, budgeting allowed capital to be rationed (allocation of resources) whereas today the resource that is considered rare is no longer capital but know-how, knowledge-sharing and optimization.

Furthermore, budgeting does not reveal good performance indicators (Cam-i, 1999). While the important thing for a business is to maximize value for the shareholders, budgeting focuses too much on accounting indicators, whose limits are all well known when we are seeking to measure the creation of value. In other words, budgeting allows us to control costs while what we should be controlling is value.

Finally, to favour innovation in business, managers seek to tap the available energy and creativity. But budgeting has completely the opposite effect (Cam-i, 1999) by imposing a strict hierarchical structure necessary for strong coordination. There is therefore a need to switch between control exercised from the centre (general management), which predominates in budgeting, and the increased freedom managers need to increase the value of the business. It is the concept of decentralization that is questioned here (Cam-i, 1999).

Robin Fraser, Director International Operations is a management consultant, formerly a partner in the UK with Coopers & Lybrand. Jeremy Hope, Research Director is the author of a number of articles and books on performance management and associated leadership issues. His article on Beyond Budgeting with Robin Fraser won the IFAC award for best management accounting article of 1998. Peter Bunce, Director BBRT Europe is Director BBRT Europe and a co-founder of the BBRT. Prior to the BBRT Peter Bunce managed several Cam-i Programs relating to computer-aided process planning, geometric modelling, factory management and sculptured surfaces. He spent 13 years in industry in Manufacturing Engineering working at various levels for several companies, both large and small. He was awarded a PhD for research into the practical applications of Group Technology (Cellular Manufacturing).

Besides this team of three highly mediatized personalities, there were other members whose role is less clear but who came from the world of consulting or business and (to a lesser degree) from the academic world.

For example, Steve Player, Director BBRT North America serves as the North American Program Director for the Beyond Budgeting Round Table and is the CEO of The Player Group, a Dallas, Texas based consulting firm. Niels Pflaeging, BBRT Director South America

is located in São Paulo, Brazil. He is president of MetaManagement Group, a management consulting firm serving clients in Europe and South America. Franz Rösli, Director BBRT DACH (German speaking countries) is the Beyond Budgeting Round Table Director for the German-speaking countries (BBRT DACH). He is located in Basel, Switzerland, where he is professor for controlling and management processes at the University of Applied Sciences Northwestern Switzerland (FHNW).

Many individuals from the business world were asked to contribute, either as auditors (Cam-i acting as a sort of training centre here) or as third parties who came to speak of their experiences. By the time of the June 2002 White Paper, Cam-i declared having contributions from 60 businesses. Certain participants are qualified as Business Associates, others are Academic Associates. The network also includes Partner Links.

Numerous companies were called for supporting critiques on budgeting. Nonetheless, nobody really knows if they actually renounced budgeting. Hope and Fraser (2003a, b) acknowledge three companies that effectively did. These are Boeralis, Rhodia and Svenska Handelsbanken. The latter is explicitly introduced as “the” model to be followed. Despite this, budgets are unlikely to disappear easily. The solutions that the Cam-i suggests are still to be defined. Yet, it poses the right questions about budgeting.

There is a striking symmetry between the arguments put forward against budgeting and those in support of it, as we will see in the following sections. There are two arguments that are particularly characteristic of this symmetrical rhetoric: a) the turbulence of the environment and b) the need to release available energy and decentralize management.

3.3 Rhetorical schemes, actor-networks and the process of institutionalisation and deinstitutionalisation

We will study two similar rhetorical discourses that support the institutionalisation and deinstitutionalisation of budgeting: turbulence and emancipation.

3.3.1 Turbulent markets – the argument for and against budgeting

Environment turbulences were invoked to justify budgeting in the 1930s. Following the great depression, some actors considered that budgeting would be a solution to the crisis.

Various promoters of budgeting were thus engaged in diverse organisations as CNOF, Cegos... where political and economic answers to the crisis were devised jointly (Berland & Chiapello, 2009). They endeavoured to persuade the French élite and governments of the necessity to develop national and corporate planning. However after WWII this justification disappeared. It left room for a second stream of rhetorical schemes based on decentralisation.

During the 1990's, Cam-i members used the turbulence of the environment as an argument for suppressing budgets. This latter was considered as an inconvenient device in a context where reactions and continuous adaptations are the definitive solution to management issues. The new market power of customers, competitor reactions and technical progress have made planning impossible. On the contrary, managing without budget would allow developing rolling forecasts in order to adapt better to an ever-changing market. New critical value drivers would supposedly replace economies of scale, e.g. velocity, organisational learning, customer relationships.

Budgeting appeared as unsuitable for its "new" environment. According to Cam-i and its supporters, budgeting belonged to an era where the competition was stable and predictable:

"The golden age of planning and control: market conditions and value chains were stable, competitors were known and their actions were predictable, capital was the primary constraint on growth and improvement, centralisation and hierarchy was the chosen management form, strategy and product lifecycles were lengthy, the management behaviour required was one of compliance with rules and procedures." (Cam-i, 1999: 23)

"For many years, the traditional budgeting model did the job reasonably well. It worked well when market conditions were stable, competitors were known and their actions were predictable, decisions were made at corporate headquarters, prices reflected internal costs, strategy and product life cycles were fairly lengthy, customers had limited choices, and the priority of shareholders was good stewardship. But, as you are keenly aware, these conditions no longer apply." (Doc SAP, 2001: 5)

The "new" business environment, deemed to be more turbulent, marked by increased competition and the impossibility to make reliable forecasts, had "become" incompatible with budgeting...

"Many other weaknesses of budgeting are well known. For example, they assume a stable planning cycle of at least twelve months – an unlikely prospect for most firms in today's turbulent world." (Cam-i, 1999: 11)

"[Budgets] fail to provide the CEO with reliable numbers, both current and forecast. Budgets are typically extrapolations of existing trends with little attention being paid to anticipatory models. [...] Budgets as a basis for forecasting are incapable of providing the information managers now need to anticipate future events and test strategic alternatives. [...] Budgets were an excellent tool for planning and controlling performance and managing resources when the competitive climate was relatively stable and firms could reasonably plan a year or more ahead." (Cam-i, 1999: 41-44)

... or rather, budgeting was not a tool that was appropriate for the turbulent business environment, contrary to budget-free management:

"[Good control systems] should be concerned with helping managers anticipate the future and ensuring that the right questions are asked and the right decisions taken that add maximum long-term value. It is hard to see how these changes can be managed successfully while leaving the traditional budgeting and control systems in place." (Cam-i, 1999: 22)

In this "new environment", businesses need to control new keys to success, such as innovation, speed of execution, customer relations, learning:

"It is now clear that companies can no longer plan and control their way in the future. To be successful in the new economy, managers need to learn to think in different ways. They must systematically challenge management orthodoxies, most of which are taken as a given or constraint [...]. The new performance management model has, therefore, to focus on innovation, speed, customers, and learning, rather than planning and control." (Cam-i, 1999: 12)

"Today's competitive climate is far more uncertain, the pace of innovation is increasing, costs reflect market pressures, customers are fickle, and shareholders more demanding." (Andersen Business Consulting, 2001: 5).

It is *rolling forecasts* that now allow businesses to adapt to their new environment:

"The proacted annual planning cycle disappears as flexible event-driven strategies and rolling forecasts become the springboard for rapid action. Managers aim for 'stretch' targets as these

are divorced from performance and rewards. And investment and improvement programs are committed as and when the time is right rather than being squeezed into some artificial window of time.” (Cam-i, 1999: 13).

“Although most firms use regular forecasts, these tend to be geared to estimating year-end performance and thus become shorter and shorter the nearer the year-end becomes. In other words, they are focused on achieving budgeted numbers and not helping managers to anticipate future events. [...] Forecasts must be seen as a tool for strategic management and learning, not control.” (Cam-i, 1999: 115).

But budgeting had also been introduced as an answer to economic instability. Although criticized by the supporters of Cam-i for its so-called incompatibility with the turbulence that characterized the “new” economic environment of the late 1990’s, budgeting had been introduced in the 1930’s as an answer to the increasing uncertainty of the market.

“It can be argued that it is easier said than done, that in particular it is not possible to make reliable forecasts especially during such times as those we are currently experiencing.” (Penglaou, 1934: 511-515).

“The present recession grants special importance to economic factors, and to the economic balancing of industrial affairs.” (Germain, 1932a: 6).

In the face of such growing uncertainty that was characteristic of the economic environment of the 1930’s, budgeting procedures were seen as an efficient solution to “restore order” to a business.

“From one essential viewpoint, the main aim of budgeting is to provide a way of controlling, restricting and stabilizing the fluctuating volume of business which would otherwise be irregular.” (Ludwig, 1930a: 390).

“We can’t stress enough the importance for businesses of maintaining their stability and their organization, and the continuity in the way they are run.” (Musil, 1930: 398)

It is also interesting to note that, from the time it was first introduced, budgeting was not presented as needing to be very precise and detailed:

“We can see that the results are by definition approximative. But this information, regardless of its inaccuracy, is preferable to an intuitive vision unsupported by any experience.” (Pengalou, 1931: 623)

“The accuracy of this data is secondary; nobody is requiring it to be precise. It is even doubtful that it corresponds, globally, to any future reality. Can a financier guess how sales are going to develop?” (Ludwig, 1930b: 1)

First presented as a tool to help businesses to adapt, budgeting is even considered by some as a reaction to the turbulence of the outside environment of a business, a way of restricting or even dominating it:

“We can define budgeting as an attempt to predict and take measures to use all reliable information available and limit the speculative effects of capitalism.” (Pulvermann, 1930: 400)

“I think that, if budgeting had been generalized in industry worldwide, we would not have had the irrational excessive production we are seeing in most sectors and as a result, the present recession would not have had the catastrophic intensity we are experiencing.” (Jadot, 1931: 293)

The actors propose to use budgeting to help them to face up to an increasingly turbulent environment, knowing that the world in which they work is not easy and that making forecasts is not simple:

“One of the main objections concerns the value of economic forecasts. In this matter, we should not be afraid to say that any attempt to anticipate the future is a precarious exercise. [] there remains the possibility of using internal statistics which, when they exist [] can and must provide useful information to delimit at least the not too distant future. [...] Everything finally depends on the individual company. In some companies changes can occur very quickly. But for the majority, it must be said that prognostics can be made judiciously and usefully providing that no absolute value is accorded to these forecasts.” (Pengalou, 1935: 66). It is perhaps even this that is paradoxical: if the forecasts are simple to make, they have no use, but if on the other hand they are difficult to make, and thus involve an amount of prudence, they are more likely to be useful:

“If we are unable to make forecasts, this does not always means that we haven’t done the job properly. We first of all need to find the reasons. What a manager must check above all, is how much effort has been put into them.” (Wiliquet, 1947: 50)

“In any case, especially at the beginning, there will always be a difference between the forecasts and the actual figures. These divergences are necessary as they have an intrinsic advantage: during a financial year, a great many internal or external factors will change, thus bringing about differences that need to be analysed in order to gain from them” (Satet, 1936: 60).

Paradoxically, from the 1930’s we find the idea that forecasts serve to promote the need to constantly adapt, or to compare oneself with competitors as a benchmark for improvement. We may say then that we are very close to such practices as *rolling forecasting* and *benchmarking* promoted by Cam-i.

“We have said that budgeting methods need to be flexible enough to adapt, if necessary, to a new order of things. If we have to take care that all employees carry out the programs defined ultimately by the management, it is not possible to prevent individual initiatives and prevent certain events that have not been perceived or that are perhaps even unforeseeable, from occurring. In fact, a true budgeting system not only involves forecasting and controlling, but continual adaptation.” (Pengalou, 1934: 70-71).

“What do we expect from a budget? Not rigorous accuracy, which is very difficult or even impossible to achieve, but sufficient accuracy to be able to monitor and control the activity of each autonomous workstation. They have a role of offering comparative scales of values with regard to the results recorded during the financial year. Each item of expenditure carefully calculated beforehand offers an overview of the next financial year whose trends are thus perceptible” (Satet, 1936: 56)

The history of budgeting thus shows that it was put in place in the 1930’s because the environment was already perceived as being turbulent. At that time, it was already difficult to draw up a precise budget, but the act of doing so was also, and above all, seen as a means of disciplining management practices and more broadly, capitalism.

3.3.2 For or against budgeting as a means of liberating employees?

During the 1950s, budgeting was considered as a way of emancipating managers from the traditional hierarchy. This rhetorical scheme appeared during the 1930s but remained limited to the exceptional Bata case. This rhetorical scheme exploded after WWII. Since then, managers had become their own boss. They had been leading their business thanks to their budget, i.e. their own income statement. Productivity missions supported the development of such a rhetorical scheme. These were to react to WWII dictatorships.

Emancipation is also the rhetorical scheme adopted by BBRT members to justify the abandonment of budgeting. According to them, budgets have trapped people in bureaucratic business and have prevented from them reacting to new challenges adequately. Devolution has been the key concept for analysing this situation. From then on, empowerment has supposedly resulted in managers exploiting all their capabilities.

Cam-I promoted “devolution” or “radical” decentralization as the answer to budgeting issues. Abandoning the budget can release the energies of actors hidebound in avoidable administrative constraints:

“[Budgets] encourage centralised planning and incremental thinking. [...] They reinforce the command and control management model and thus undermine attempts at organisational change such as team working, delegation and empowerment.” (Cam-i, 1999: 11 and 41)

“Many companies have, of course, decentralised their operations. But this is where we must be careful with words (like *decentralisation*). In many organisations this simply means creating lower levels of centralised decision-making, for example, at the divisional or large business unit level.” (Cam-i, 1999: 31)

This new found freedom of managers is expressed through the concept of “*devolution*” which revisits that of decentralisation:

“Finding the right balance between top-down control and bottom-up empowerment is at the heart of the beyond budgeting model. [...] To delegate decision-making to a level that enables managers to run their part of the business effectively and respond rapidly to market forces. [...] Redefine management roles around the need to support devolution, not around support for the organisational hierarchy. [...] Real devolution means being ‘non-centralised’ rather than ‘decentralised’.” (Cam-i, 1999: 12)

It means giving more freedom to the actors in order to empower them more:

“Give managers the responsibility and freedom to act and deliver results, don’t micro-manage them. [...] There also needs to be a set of principles governing how business and work units operate both independently and together as a coherent set of units working for the good of the whole firm. [...] unit managers [should] stop fighting each other and start fighting the external competition. [...] it means the devolution of power and authority within a sort of federal network of autonomous units [...]. Small independent units also stimulate entrepreneurial activity.” (Cam-i, 1999: 23)

But the introduction of budgeting in the 1930’s already had the goal of giving employees more freedom. The introduction of budgeting in the 1930’s already had the goal of giving employees more freedom. This rhetoric of the time, which we can observe in the *verbatim*s of the following actors only accentuated after the Second World War (Berland & Chiapello, 2009):

“This system, which results in a certain “decentralization” of management responsibilities, often desirable, will be of interest.” (Germain, 1932b: 33)

“It is what we may call “remote steering” to use a colourful expression borrowed from Mr Edmond Landauer, or in our case “remote control”. (Pengalou, 1931: 729)

“We can assert that we consider to be just the principle recommending, to avoid unpleasant friction, that budget figures be determined with the help of the sales staff, by asking for their opinions and binding them by their own information. [...] Budgeting incites responsibility. » (Ludwig, 1930b: 20).

The image of this sought-after decentralization is extreme as it aims to transform each employee into an autonomous “manager”:

“Each department will have its own accounting system, as if it were a separate firm. It will keep its books, draw up its profit and loss account and monthly operating account.” (Commesnil, 1935: 55).

“Each employee of the management departments must learn to count in terms of capital, they must all know the capital locked as a result of the decisions they make.”

“These budgets create the accounting autonomy of the departments and workshops and, without necessarily going so far as the Thomas Bat’a method in which each workshop sells its production to the next workshop, who checks that the products meet the specified requirements, we can not recommend more the autonomy of each group, as autonomy generates responsibility. But “autonomy” does not mean “bulkheads”, nor does it mean rivalries between departments.” (Satet, 1936: 17)

This model, which paints the employee as being his own “boss” reached its apogee during the 1930's in the Bat’a firm ³. This example illustrates particularly well how ideology can form the basis for business practices. The Czech shoemaking firm is no doubt the most admired model, or at least the model most cited as a model of organization, particularly by those who supported the development of budgetary control. Thus according to Landauer (1933), Thomas Bat’a, the founder of the company, made a dual contribution. He first placed an emphasis on sales and related techniques, in order to ensure the highest volume of business possible. He then develops the organization, by defining homogeneous centres of responsibility. These two achievements can not be considered outside the social concerns of the company owner. Bat’a wished to ensure the material livelihood of his workers. Having himself began his career as a worker, he was very sensitive of their living conditions. He thus engaged in actions which may at first sight be qualified as paternalistic building hospitals, schools, encouraging home-ownership, etc.

But Bat’a’s motivation went further than this. His “main idea is to change workers’ mentalities from those of the worker to those of the entrepreneur” (Landauer, 1933). At the head of each workshop, he places a supervisor who works for the firm but who, with his workers, forms an autonomous team. The various workshops communicate by means of an internal selling price system. The purpose was to make the workers as autonomous as possible and to “put them in the boss’s shoes” inspired by the method developed in France by Lucien Rosengart and known by the name of the “little boss method” (Landauer, 1933). In addition, with particular appeal for the French, this allowed Cartesian principles to be applied to business issues in order to reduce the complexity facing company owners (Dubreuil, 1937). If work had already been broken down with regard to the workers, design and organization were still centralized. It was indeed the aim of Bat’a to give more responsibility to the actors of a firm.

In the end, we do not exactly know if budgeting frees workers or actually locks them inside absurd structures. If both sets of arguments are valid, what could have happened between the two eras which enables us to understand the similarity of the arguments put forwards?

³ Or “Bata” pronounced Batja according to our peers.

4 DISCUSSION

What should we understand from this symmetry in the arguments supporting the introduction then the abandoning of budgeting? Does it hide rhetoric and a fashion, the first victims of which are the managers themselves? Is it a sign of a large dose of relativism in the rhetoric used by managers: can one thing and the exact opposite be upheld at the same time? Is the symmetry more apparent than real? Perhaps the terms, although they are similar, refer to different realities in that the networks on which they are based are different?

4.1 Dominate or submit to uncertainty: the role of shareholders and the capital markets

Business players (the actors) seem to have experienced the uncertainty of the economic environment very differently according to the period. In the 1930's, they sought to domesticate what they considered as the increasing uncertainty of their environment, in order to optimize their internal production processes. As shown by the *verbatim*s, firms and their executives wished to structure their business so that they had foreseeable horizons which were in keeping with their own pace of management. They saw budgeting as a useful means to stabilize their environment. Budgeting also entered into more global solutions aiming to stabilize the entire economy, such as planism, technocracy, cartels, etc. (Berland & Chiapello, 2009).

The “technologies” making up budgets can be integrated into more general “programmes” and “issues”, thus helping to give them meaning (Miller and O'Leary, 1994; Miller and Rose, 1990). Turbulence is therefore a macroeconomic issue that needs to be controlled. Keynesian theory, which was growing in force at that time, is not so far removed from this. The development of a statistics-based industry also allows one to hope for increasing control of market uncertainties (Desrosières, 1993). In addition, the degree to which the forecasts are accurate does not seem important. Forecasts do not need to be accurate to be useful. They are simply management aids: they indicate where one is going so as to be able to act accordingly. On the other hand, in the 1990's, the actors wanted certainty, particularly with regard to the capital markets. Rather than a problem of forecasting which would prevent budget accuracy, it was fear of uncertainty that reigned in the 1990's. Surely shareholders prefer not to have any unwelcome surprises on publication of the quarter's results? In the 1930's, the actors accepted that forecasts were not always accurate, but they were mainly intended for their eyes alone. Inversely, during the 1990's, it was as if the beneficiaries of these forecasts, now external to the firm, could not tolerate any uncertainty.

Finally, it would appear that it is not uncertainty, whether real or feared – that is important, but the meaning given to the concept of uncertainty by these actors. In the 1930's, we aimed to dominate uncertainty via budgeting. In the 1990's, we feared uncertainty, as it means losing face with regard to shareholders and makes us obliged to publish profit warnings. More generally, it would appear that this phenomenon shows the preference of these actors for an exacerbated present and short term management. While the modernist sights of the 1930's helped people to anticipate the future, our post-modern society, based on instantaneity, can not bear uncertainty and vagueness. The criticism of budgeting reflects this intolerance.

4.2 Freed from the bonds of a boss, only to fall under other tyrannies

In the 1930's, budgeting offered a promise to free managers, to make them into "independent little bosses" in the words used at that time. It was the pressure from above that was criticized and seen as a constraint that was increasingly hard to bear. The importance of the foreman, the paternalist boss or of the company owner and manager is omnipresent. Budgeting made it possible to envisage the replacement of direct supervision to supervision from a distance. But although the hierarchical pressure was released, it did not mean that there was no longer any pressure.

It appears that the problem of managing without a budget refers to three new types of pressure:

- Capital markets. As already discussed above, budgeting was justified to external actors as a means towards greater visibility. There is nothing worse than not achieving one's forecasts. A budget no longer serves to set internal targets but rather provides forecasts. Confusion between forecasts and targets creates a certain tension that is directly felt by managers.
- Customers. They have demands and requirements that complicate budgeting. By demanding new, highly specific products, designed specially for them, they prevent production from being standardized and thus complicate budgeting. The key to competitiveness is no longer planning but flexibility and systematic adaptation, which is worlds apart from budget stability. The budget has become the straightjacket that prevents managers from adapting and thus generates new tension for managers.
- Competition. Businesses that put in place budgetary control in the 1930's did so in an environment that they had managed to pacify. Paradoxically, while a budget should help to reduce uncertainty, it was only technically possible when forecasting became possible (Berland, 1999). The 1990's saw the disappearance of all the facilities that had been offered to businesses in the 1930's. The disappearance of cartels, the move from a supply-based economy to a demand-based economy and the disappearance of borders made it necessary to pay more attention to the reactions of competitors.

Pressure and the sense of imprisonment no longer operated so much inside the firm via the bosses, but via what was happening outside the firm: capital markets, customers and competitors. The feeling of oppression was therefore no longer the same, and was the result of different realities or networks of actors.

In the 1990's, while budgeting bound managers and constrained them inside bureaucratic processes, it is no longer in relation to the boss that there is a feeling of constraint. It is the customer, the shareholder or the competitor that exercise "remote control" over employees, by imposing their demands on them. Budgeting however, whose sole aim is the internal optimization of the firm, does not make it easy to adapt to their demands. The actors which have the most importance here are the customer, the shareholder or the competitor, all new actors that were not included in the rhetoric of the 1930's.

Budgeting has changed the relationship between employees and released the pressure inside a firm, but it has also generated pressure (by a simple shift of focus within the firm) in the relationship with these new actors.

CONCLUSION

After having been a tool that was synonymous with good management since the 1930's, budgeting has recently become considered as something that holds back the competitiveness of companies. The criticism it attracts is however very similar to the arguments put forward for introducing it. There is certain symmetry in the rhetoric at work which creates a sense of paradox.

To promote a management tool, it appears that conventional rhetoric is used (uncertainty, empowerment). This rhetoric seems familiar to us and has a strong power of persuasion. But contrary to all appearances, it evolved in quite different ways. The meaning of this rhetoric did not arise naturally but depends on at least two factors. First of all, different contexts make it necessary to interpret each rhetoric according to the conditions in which it operates. Secondly, the networks of actors offer different interpretations to the events they experience, even if the battle against uncertainty and the search for freedom remain fundamental to both. Besides the two paradoxes we have developed in this paper, we could have explored others. It is thus that the firms of each era have sought to calibrate themselves against the other by means of benchmarking. This new symmetry also needs to be explored further. Likewise, we could study other management tools in greater depth. The conventional costing method has also come under criticism in recent years and has been replaced by Activity-Based Costing (ABC). Is this another case of symmetrical rhetoric?

APPENDIX: CORPUSES OF REFERENCE TEXTS

1930S

The starting point for budgetary control in France and Europe is certainly the international conference held in Geneva from July 10th-12th 1930 on the theme of budgetary control organised by the IIOST. There are two sources for consulting the speakers' presentations made to the Geneva conference:

IIOST (1930), *Conférence internationale du contrôle budgétaire*, Genève, rapports de la conférence, 2 volumes available for consultation at the French *Bibliothèque Nationale*.

Special issues summarising the conference was also published in the business journal *Mon Bureau* in August and September 1930, quoting the following:

Coes (1930), Difficultés et résistances fréquemment rencontrées dans l'instauration de la procédure budgétaire, *Mon bureau*, Septembre, 389-392.

Jadot (1931), Le contrôle et la gestion des entreprises à l'aide du budget, *Mon bureau*, May, 291-293

Landauer E. (1930), Les bases d'un budget des dépenses, *Mon bureau*, August , 349-350.

Musil M.F. (1930), Principes et méthodes du contrôle budgétaire - Ses aspects généraux, *Mon Bureau*, Septembre, 398-9

Pulvermann H. (1930), Les organismes centraux de l'administration industrielle et le contrôle budgétaire, *Mon Bureau*, Septembre, p. 400-1

Schmidt M. (1930), Le budget d'investissement, les affectations de capital et le système budgétaire, *Mon bureau*, August , 351-352.

Serruys D. (1930), Le système budgétaire et l'organisation économique nationale et internationale, *Mon Bureau*, Sept, 395-397.

Ludwig H.(1930a), « Le contrôle budgétaire du capital d'exploitation », *Mon Bureau*, septembre, Paris.

Ludwig H.(1930b), *Le contrôle budgétaire dans les entreprises industrielles*, Librairie française de documentation G. Claisse, Paris,.

Satet R. (1930), *La Conférence Internationale du contrôle budgétaire*, IUMM, Genève.

Penglaou C. (1931), «Le budget considéré comme base de la détermination et du contrôle des crédits accordés par les banques», *Mon Bureau*, Octobre et novembre, p. 621 and 716.

Saint-Pulgent (de) T. (1934), «Le contrôle budgétaire aux grands magasins du Printemps», Cégos, Document OA7, 8 p.

Penglaou C. (1935), «Le contrôle budgétaire - Son introduction dans les entreprises», *L'Organisation*, Feb, 65-68.

Penglaou C.(1934), « Le budget général », *L'Organisation*, Décembre, p. 511-515.

Penglaou C.(1935), « Le contrôle budgétaire - Essai de statistique appliquée à la gestion des entreprises », *Journal de la Société de statistique de Paris*, Juillet-Août-Septembre, p. 232-250.

Satet R. (1936), *Le contrôle budgétaire*, Dunod, Paris.

Reitell C. et Lugrin J.P. (1936), «Le contrôle des frais d'exploitation par la méthode des taux standards et du budget variable», *Bulletin du Comité National Belge de l'Organisation Scientifique*, Oct, 265-275.

Bourquin M. (1937), *Méthodes modernes de répartition et de contrôle des frais généraux dans l'industrie*, Dunod, Paris.

Mareuse M. (1938), *Le contrôle de gestion dans les entreprises*, Dunod, Paris.

Commesnil G.(1935), « Le rôle du comptable dans le problème budgétaire - Méthodes comptables et contrôle budgétaire », *Congrès National des Comptabilités de Marseille*, 20-22 septembre.

Germain P. (1932b), « Contrôle budgétaire d'une entreprise », *L'usine*, 29 janvier, p. 33.

Germain P.(1932a), « Contrôle budgétaire des entreprise », *L'usine*, 12 février, p. 6.

Wiliquet S. (1947), *Le contrôle budgétaire dans une grande entreprise industrielle*, Chambre Belge des Comptables, Bruxelles.

About the case of the Czech shoe manufacturer Bat'a (or Bata), we quoted:

Coutrot J. (1936), *L'humanisme économique - Les leçons de juin 1936*, Editions du centre polytechnicien d'études économiques, Paris.

Dubreuil H. (1936) *L'exemple de Bat'a. La libération des initiatives individuelles dans une entreprise géante*. Paris, B. Grasset

Landauer E. (1933), L'oeuvre de Thomas Bat'a, *Bulletin du CNOF*, June, 177-185.

Rimailho E. (1936), *L'organisation à la française*, Paris.

1950S

We quote the following report produced by the productivity missions:

OECCA (1951), *La comptabilité au service de la productivité aux Etats-Unis - Rapport préliminaire de la mission française des experts comptables*, AFAP-OECCA, Paris.

Among all the works of Jean Benoit, we quote:.

Benoit J. (1954), Contrôle à l'usage de la direction, Xe International congress on scientific management (*Congrès international de l'organisation scientifique*), *Bulletin du CNOF*, May, 22-25.

Benoit J (1956), La prévision de le contrôle budgétaire, Workshop, January 20th-21th, Rennes, 29 p. (in Pechiney archives 001-7-30994)

Benoit J (1958). La gestion des entreprises et son évolution, A lecture given at La Sorbonne University, (in Pechiney archives 001-7-30994)

Many others conferences are stored in the Pechiney archives 001-7-30994., the "Jean Benoit Lectures", for instance:

1951. *La productivité, expérience dans l'industrie*, A lecture given at the Institut des Hautes Etudes de Défense Nationale.

1952. *Le contrôle budgétaire français en 6 expériences*. CEGOS workshop of May 5th-7th 1952. Benoit gave three talks, on "Budgetary control in the United States", "The management indicators used by general managers in the US" and "The role of the management controller" 1953. Internal memo from Pechiney

1955. *A general manager's tableau de bord*, Speech given by Raoul Vitry, CEO of Pechiney, but written by Jean Benoit.

1958. *Reflection on the organisation*, A lecture given to the Naval Warfare College (*Ecole de guerre navale*). This lecture was given several years in succession until Benoit's death in 1962.

1960. A large firm's experience in organisation and methods. Army organisation committee (*Comité d'organisation de l'armée de terre*).

1961. Lecture to the Regional productivity committee, Lyon

Comité National de la Productivité (1952), *Votre meilleur outil, le budget - Le budget par la comptabilité pour la productivité*, Société auxiliaire pour la diffusion des éditions de productivité, Paris.

Charmont C. (1952), *Un homme nouveau dans l'entreprise, le contrôleur de gestion*, Hommes et Techniques, May, 23-26.

CEGOS (1953), *Le contrôle budgétaire, 6 expériences françaises*. Paris, Hommes et Techniques

Loeb P. (1956), *Le budget de l'entreprise*, Paris, PUF

Guillaume M. (1958), *La gestion budgétaire des entreprises*, Anvers, Editions Nauwelaerts

Parenteau J. (1959), *Contrôle de gestion par méthode budgétaire*, Paris, Hommes et Techniques

Satet R. (1942), *Le contrôle budgétaire - Cours de l'Ecole d'Organisation Scientifique du Travail*, Ecole d'Organisation Scientifique du Travail, Paris.

Parenteau, J. (1945) Calcul des prix de revient et comptabilité industrielle, Paris: Cegos

Parenteau J. (1949), La comptabilité, le contrôle budgétaire et les prix standards, *Hommes et Techniques*, , 53 Mai, 27-29.

Collective (1965), EOST, l'Ecole d'Organisation Scientifique du Travail, *Bulletin du CNOF*, special issue, CNOF, Août-septembre.

1990S

Andersen Business Consulting (2001), « Beyond Budgeting ».

Cam-i. (1999), *The BBRT guide to managing without budget*, Release V3.01, 8 December.

Doc SAP (2001), « Beyond Budgeting », Document publicitaire de l'entreprise SAP.

Q&A White Paper - October 2001

White Paper - June 2002

Cam-i (2002), *Beyond Budgeting*, White Paper - June 2002.

White Paper - November 2004

Who Needs Budgets? - *Harvard Business Review*, February 2003.

Beyond Budgeting...breaking through the barrier to the "the third wave" - *Management Accounting*, December 1997 - Initial paper

Measuring performance in the new organisation model - *Management Accounting* June 1998.

Beyond budgeting ... building a new management model for the information age

Management Accounting January 1999 - report on the conclusions and next step in the BBRT

Budgets - The Hidden Barrier to Success in the Information Age - Part 1

Accounting in Business, March 1999

Budgets - How to Manage Without them - Part 2, *Accounting in Business*, April 1999

Time to Bin the Budget (Editorial) - *CFO Europe*, May 1999

Tool of repression and a barrier to change, *Financial Times* 18 May 1999.

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